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185CENTRAL INTELLIGENCE GROUP  
INTELLIGENCE REPORT

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COUNTRY Austria/USSR

DATE:

SUBJECT Miscellaneous Notes on USIA Activities

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SUPPLEMENT

ORIGIN

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1. The Erste Osterreichische Glanzstoffabrik, St. Polten, received on 11 October 1947 an order from USIA to sell wherever it could as much as possible of its production for dollars or other hard currency. This marks a departure from the former USIA policy whereby over half of the production of this plant was sent directly to the USSR. Many other USIA enterprises are said to have received similar orders to sell at least part of their production for dollars as soon as possible.

2. The Gerstlwerk plant of Gebrüder Böhler & Co. A.G., at Waidhofen a/d Ybbs, produces about 300 tons of thin sheet and strap iron per month, 250 tons of which is retained by USIA for its own purposes; the remaining fifty tons is allotted to USIA factories. None is known to reach the Austrian market.  
 Comment: These production figures are confirmed by information from the Industry Branch, USACA. On 6 November

reported that the Gerstlwerk produces cold-rolled strap iron and steel and welded steel tubes. The production capacity of the plant is said to be 1000 tons a month, although at present a crew of 220 workers is processing only 500 tons monthly. Production for Austrian industries was stopped in September, but the current production schedule lists 150 tons of cold-rolled strap iron, of which fifty tons will be delivered to the "Kabelwerke" (probably Wiener Kabel und Metallwerke A.G.). Seventy tons to USIA plants, and the remainder to Austrian plants.)

3. The monthly production of Schmidhütte Krems amounts to 380 tons of sheet iron (Schwarzeblech) and 220 tons of thin sheet (Feinblech). Of this amount, the Soviets allot only fourteen tons of thin sheet iron to non-USIA Austrian industries. Comment: The Industry Branch, USACA, reports a total production figure of 749 tons of rolled products for this factory, but makes no distinction as to type.)

4. The Schoeller-Bleckmann Stahlwerke AG consists of a principal plant in the British Zone at Murzauschlag, Styria, and a smaller one at Ternitz, Lower Austria, which is not yet under Soviet administration. Recently the Soviets placed a large order for sheet metal with the Murzauschlag plant, threatening

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to seize the Ternitz factory if the order were not accepted. The main plant is said to have started production already on the Soviet order, and initial deliveries have been made. Source reports that Schoeller-Bleckmann has cancelled its outstanding orders from other Austrian concerns, including even the three tons monthly received by the Siemens-Schuckertwerke in the 1st District of Vienna. The great need of USIA enterprises or the Soviet Union for sheet metal is indicated, according to source, by the fact that the Bohlerwerke in Waidhofen has cancelled delivery of an order from Siemens-Schuckert for thirty tons of sheet metal.

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